As a general rule the drawee of a draft, having paid, it, cannot recover the money paid to a holder in due course, upon discovery that the drawer's name was forged. He is presumed to know the handwriting of the drawer, and is estopped to deny its genuineness. *Price* v. *Neale,* 3 Burr. 1354; *Nat'l. Park Bank* v. *Ninth Nat'l. Bank,* 46 N. Y. 77; *U. S. Bank* v. *Bank of Georgia,* 10 Wheat 333, 6 L. ed. 334. See 10 MICH. LAW REV. 226, and cases there cited. *Bank of Cottage Grove* v. *First Nat'l. Bank,* 117 Pac. 293. The basis for the rule is the same as that supporting the liability of a bank to know the signature of its customer, in that it is presumed to have greater means of becoming familiar with the handwriting of a depositor than has the holder of the instrument. However, the rule does not apply in case the holder by negligence has contributed to the success of the fraud. *Myers* v. *S. W. Nat'l. Bank,* 193 Pa. 1, 44 Atl. 280; *Woods* v. *Colony Bank,* 114 Ga. 683, 40 S. E. 720; *Brennan* v. *Merchants Bank,* 62 Mich. 343, 28 N. W. 881; *Weisberger Co.* v. *Barberton Bank,* 84 Oh. St. 21. No such charge was made against the defendant in the instant case. The argument of counsel for the United States was that the Secretary of the Treasury is not presumed to know the signature of such agents as are authorized to draw upon him; that the general rule is confined within limits, and the application of it here would be unreasonable; and that the United States is entitled to greater protection than an individual in such a case as the present. In *United States* v. *National Exchange Bank,* 214 U. S. 302, 29 Sup. Ct. 665, an action was brought to recover sums paid on one hundred and ninety-four pension checks, where the signatures of the payee were forged. Recovery was granted, and the court said that to apply the rule, (based on the presumption of a duty to know signatures), to the government in its duty of paying millions of pension claims, usually discharged by means of checks, would be clearly unreasonable and contrary to common sense. But that case involved the forgery of the name of the payee. And a case in accord, *United States* v. *County Bank,* 64 Fed. 703, 12 C. C. A. 407, involved the forgery of an indorser's name. Those cases are easily distinguished from one in which the drawer's name is forged. The common law rule never required the drawee to know the genuineness of the signature of the payee or indorser. And no good reason is suggested why the United States should not protect itself against imposition, as banks are required to do. Those who have the right to draw bills upon the government are relatively few in number. The United States, when it becomes a party to an instrument of commercial paper, should incur all the responsibility of a private person under the same circumstances. *Cooke* v. *United States,* 91 U. S. 389, 23 L. ed. 237.

CONDITIONAL SALE—ELECTION OF REMEDIES.—Plaintiff sold to defendants' grantor certain bottling machines on condition that title was to remain in the plaintiff until fully paid in cash. Breach was made by vendee. Plaintiff brought an action for the purchase price, but was compelled to take a nonsuit. He then brought an action for conversion. Defendant contended that the bringing of the first action was an election of remedies and barred the action for conversion. *Held,* that since the action for the purchase price

was not prosecuted to judgment, there was not such an election as barred the action in trover. *Machinery Co.* v *Mineral Water and B. Co.,* (Mo. 1915), 171 S. W. 944.

Where, on the sale and delivery of personal property on credit, the title is to remain in the vendor until payment, the vendor, upon non-compliance with the conditions of the sale by the vendee, may either retake the property or may treat the sale as absolute and bring an action for the price, but an assertion of either right is an abandonment of the other. *Davis* v. *Millings,* 141 Ala. 378. This seems to be the universal rule. But just what "an assertion of either right" is, is a question upon which there is much conflict. The weight of authority is probably with the rule which holds that there is an election when one remedy has been prosecuted to judgment even though the judgment remains unsatisfied. *Holt Mfg. Co.* v. *Ewing,* 109 Cal. 353; *Crompton* v. *Beach,* 62 Conn. 25; *Smith* v. *Barber,* 153 Ind. 322; *Bailey* v. *Hervey,* 135 Mass. 172; *Whitney* v. *Abbott,* 191 Mass. 59; *Alden* v. *Dyer,* 92 Minn. 134. Still there are many cases holding that the prosecuting of one action to judgment is not such an election as to bar an action on the other remedy, if the judgment in the first suit remains unsatisfied. *Thomason* v. *Lewis,* 103 Ala. 426; *Forbes Piano Co.* v. *Wilson,* 144 Ala. 586; *McPherson* v. *Acme Lbr. Co.,* 70 Miss. 649; *Printing Press and Mfg. Co.* v. *Publishing Co.,* 56 N. J. L. 676; *Root* v. *Lord,* 23 Vt. 568. There are a few cases which hold contra to the instant case. *Frisch* v. *Wells,* 200 Mass. 429; *Orcutt* v. *Rickenbrodt,* 59 N. Y. Supp. 1008; *Kirk* v. *Crystal,* 103 N. Y. Supp. 17. These establish the rule that the mere bringing of one action by the vendor, even though not prosecuted to judgment, is such an election that it bars action on any other remedy.

CONSTITUTIONAL LAW—CONSTITUTIONALITY OF WEBB-KENYON ACT.—A state statute required all transportation companies to keep a separate book in which was to be entered the name of the consignee of all liquors to be delivered in the state; *held* that this Act was valid and a constitutional exercise of the police power in order that the SEARCH AND SEIZURE ACT prohibiting the sale, bartering, or keeping in possession of certain quantities of liquor for purposes of sale, might be carried into effect. *State of North Carolina* v. *Seaboard Air Line Ry.,* (N. C. 1915), 84 S. E. 283.

The act would be invalid as a regulation of interstate commerce were it not for the WEBB-KENYON ACT, which prohibits shipments of intoxicating liquor from one state to another to be used in violation of law, and brings them within the police power of the state; so it would follow that if the WEBB-KENYON ACT were invalid the state act would fall with it. The constitutional principles involved in the WEBB-KENYON ACT have been discussed in a note in 12 MICH. LAW REV. 585. It could not be argued with force that even if the federal act were valid this act would be invalid and an unreasonable regulation. The obvious intent of the federal act was to enlarge state power so that the states could enforce their policies in regard to intoxicating liquors, and such a regulation is only a reasonable means of carrying into effect a power already granted, and lies within the legislative discretion. *Dewey* v.